

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

ACCO BRANDS USA LLC)
f/k/a ACCO BRANDS, INC.,)

Plaintiff,)

vs.)

NOBLE SECURITY SYSTEMS, INC.,)
OFFICE SECURITY SOLUTIONS, INC.,)
SECUCOMPUTER, INC., INOVETIVE)
LOCKS LTD. d/b/a INNOVATIVE LOCKS)
LTD., PEMANDROS TRADING LTD., and)
OFFICE SECURITY, INC.,)

Defendants.)

Case No. 03 C 1820

Honorable James B. Zagel
U.S. Magistrate Judge Arlander Keys

JURY TRIAL DEMANDED

REVISED THIRD AMENDED COMPLAINT

ACCO Brands USA LLC (“ACCO”), by its undersigned attorneys, complains against defendants Noble Security Systems, Inc. (“NSSI”), Office Security Solutions, Inc. (“OSSSI”), SecuComputer, Inc. (“SecuComputer”), Inovetive Locks Ltd. d/b/a Innovative Locks Ltd. (“Innovative”), Pemandros Trading Ltd. (“Pemandros”), and Office Security, Inc. (“OSI”) as follows:

NATURE AND STATUTORY BASIS OF ACTION

1. This civil action arises under: (i) the Federal Patent Act, as provided for by 35 U.S.C. §§ 100, *et seq.*; and (ii) the Court’s supplemental jurisdiction, as provided for by 28 U.S.C. §§ 1338(b) and 1367(a), over related breach of contract claims.

THE PARTIES

2. ACCO is a limited liability company existing under the laws of Delaware and has its principal place of business at 300 Tower Parkway, Lincolnshire, Illinois 60069. ACCO does business in the State of Illinois within this district and is in the business, *inter alia*, of manufacturing and selling office equipment, including computer physical security devices.

3. Defendant NSSI is, on information and belief, a California corporation with a principal place of business at 8665 Wilshire Boulevard, Suite 210, Beverly Hills, California 90211.

4. Defendant OSSI is, on information and belief, a New York corporation with a principal place of business at 151 West Passaic Street, Rochelle Park, New Jersey 07662 and distributes, *inter alia*, computer physical security devices.

5. Defendant SecuComputer is, on information and belief, a New York Corporation with its principal place of business at 345 Route 17S, Upper Saddle River, New Jersey 07458, and is in the business, *inter alia*, of marketing and selling computer physical security devices.

6. Defendant Innovative is, on information and belief, a limited company of Cyprus and has a business address at Olympian 23, Libra Tower, 4th Floor, Limassol, Cyprus 3035. On information and belief, Innovative distributes and sells, *inter alia*, computer physical security devices and is owned and controlled by Meir Avganim.

7. Defendant Pemandros is, on information and belief, a limited company of Cyprus and has a business address at Olympian 23, Libra Tower, 4th Floor, Limassol, Cyprus 3035. On information and belief, Pemandros distributes and sells, *inter alia*, computer physical security devices and is owned and controlled by Meir Avganim.

8. Defendant OSI is, on information and belief, a Texas corporation. The director and president of this corporation is Shimon Yair, Meir Avganim's cousin.

JURISDICTION AND VENUE

9. This Court has jurisdiction under 28 U.S.C. § 1338(a) in that this is an action for patent infringement founded upon the patent laws of the United States.

10. This Court has jurisdiction under 28 U.S.C. §§ 1338(b) and 1367(a) in that Count III is joined with a substantial and related claim under the patent laws of the United States.

11. Defendant NSSI is subject to this Court's personal jurisdiction because it does and has done substantial business in this State and in this District, including, but not limited to: (1) selling computer security locks within this State and in this District; and (2) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods used or consumed by, and services provided to, individuals in this State and in this District.

12. Defendant OSSI is subject to this Court's personal jurisdiction because it does and has done substantial business in this State and in this District, including, but not limited to: (1) selling computer security locks within this State and in this District; and (2) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods used or consumed by, and services provided to, individuals in this State and in this District.

13. Defendant SecuComputer is subject to this Court's personal jurisdiction because it does and has done substantial business in this State and in this District, including, but not limited to: (1) selling computer security locks within this State and in this District; and (2) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods used or consumed by, and services provided to, individuals in this State and in this District.

14. Defendant Innovative is subject to this Court's personal jurisdiction because it does and has done substantial business in this State and in this District, including, but not limited to: (1) selling computer security locks within this State and in this District; and (2) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods used or consumed by, and services provided to, individuals in this State and in this District.

15. Defendant Pemandros is subject to this Court's personal jurisdiction because it does and has done substantial business in this State and in this District, including, but not limited to: (1) selling computer security locks within this State and in this District; and (2) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods used or consumed by, and services provided to, individuals in this State and in this District.

16. Defendant OSI is subject to this Court's personal jurisdiction because it does and has done substantial business in this State and in this District, including, but not limited to: (1) selling computer security locks within this State and in this District; and (2) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods used or consumed by, and services provided to, individuals in this State and in this District.

17. Venue is proper in this district based on 28 U.S.C. § 1391(b)-(c) and 1400(b).

FACTS COMMON TO ALL ALLEGATIONS

18. Defendant NSSI has maintained and does maintain a website at www.go-locks.com.

19. The domain name registrar lists "Noble Locks" as the registrant of the go-locks.com domain name.

20. NSSI's products have been and are advertised on the go-locks.com website.

21. Defendant OSSI has maintained and does maintain a website at www.locksolve.com.

22. The domain name registrar lists "Noble Locks Enterprises Inc." as the owner of the locksolve.com domain name.

23. The OSSI website lists Noble Enterprises, Inc. and SecuComputer as entities that conduct research for OSSI.

24. The OSSI website also refers to patents owned by "Noble Enterprises, Inc."

25. Upon information and belief, NSSI's products have been and are advertised on the locksolve.com website.

26. Defendant SecuComputer has maintained and does maintain a website at www.secucomputer.com.

27. The domain name registrar lists "SecuComputer, Inc." as the owner of the secucomputer.com domain name.

28. Upon information and belief, NSSI's products have been and are advertised on the secucomputer.com website.

29. Defendants NSSI, OSSI, SecuComputer, Innovative, Pemandros and OSI ("the Noble Entities") are an inter-related group of shell companies all formed for the purpose of manufacturing, marketing and selling computer locking devices. Roma Avganim is the wife of Meir Avganim and owner of Warehouse Etc., Inc., a California corporation; Gady Avganim is the son of Meir Avganim and owner of NSSI, a California corporation; Shimon Yaair is the cousin of Meir Avganim and owner of Noble Locks Enterprises, a Nevada corporation, Office Security Solutions, Inc., a New York corporation, and Office Security Inc., a Texas corporation.

Innovative and Pemandros are, on information and belief, owned, controlled and used by Meir Avganim and the Noble entities to market, sell, offer to sell, import, and distribute computer locking devices in the United States, including in this District.

30. On information and belief, and as part of their corporate shell game, the Noble Entities, at the direction of Meir Avganim, routinely open and close websites through which they advertise and sell computer security devices.

31. In 2001, ACCO sued Defendant NSSI for the sale of certain computer security devices. On May 31, 2001, a Confidential Settlement Agreement and Mutual Release (“Agreement”) was signed on behalf of Defendant NSSI under the direction or control of Meir Avganim. A true and correct copy of relevant portions of the Agreement is attached as Exhibit 1.

32. On information and belief, one or more of the Noble Entities was set up under the direction of Meir Avganim for the purpose of avoiding the obligations of the Agreement.

33. The Agreement obligated NSSI and “its officers, agents, servants, employees, attorneys and those persons in active concert or participation with them” to refrain from making using, offering to sell or selling certain computer security devices. (Agreement p. 2, ¶ 2.).

34. On information and belief, the devices sold by Defendants are identical to the devices NSSI, its officers, agents, servants, employees, attorneys and those persons in active concert or participation with them, agreed not to sell.

35. On information and belief, Defendants OSSI, SecuComputer, Innovative, Pemandros, and OSI, are in privity with NSSI and/or are in privity with the Agreement.

36. On information and belief, Defendant OSSI is in active concert or participation with NSSI, in breach of the Agreement.

37. On information and belief, Defendant SecuComputer is in active concert or participation with NSSI, in breach of the Agreement.

38. On information and belief, Defendant Innovative is in active concert or participation with NSSI, in breach of the Agreement.

39. On information and belief, Defendant Pemandros is in active concert or participation with NSSI, in breach of the Agreement.

40. On information and belief, Defendant OSI is in active concert or participation with NSSI, in breach of the Agreement.

SUBSTANTIVE ALLEGATIONS

COUNT I

PATENT INFRINGEMENT OF U.S. PATENT NUMBER 6,006,557 (Against Defendants Noble Security Systems, Inc., Office Security Solutions, Inc., SecuComputer, Inc., Inovetive Locks Ltd. d/b/a Innovative Locks, Pemandros Trading Ltd., and Office Security, Inc.)

41. Plaintiff incorporates and alleges as if fully set forth herein the allegations contained above in paragraphs 1 through 40.

42. On December 28, 1999, United States Letters Patent 6,006,557 (“the ’557 Patent”) issued to Stewart R. Carl, Alice Kasahara, Arthur H. Zarnowitz and William R. Murray, Jr. for an invention relating to a computer physical security device. A copy of the ’557 Patent is attached hereto as Exhibit 2 and made a part of this complaint.

43. Kensington Technology Group (“Kensington”), a division of ACCO, is by assignment the owner of the ’557 Patent.

44. Defendants have directly infringed, induced infringement, and contributorily infringed ACCO’s exclusive rights under the ’557 Patent by manufacturing, offering to sell and/or selling products that embody the inventions of and are within the scope of the ’557 Patent

and by causing others to use Defendants' infringing products. Defendants continue to so infringe, induce infringement, and contributorily infringe.

45. Defendants have had actual notice of Plaintiff's rights and, notwithstanding such notice, have continued to willfully infringe, induce infringement, and contributorily infringe the '557 Patent and will continue to do so unless enjoined by this Court.

46. As a direct and approximate result of Defendants' infringement, ACCO has suffered injury and damage which will continue to accrue, in an amount to be determined at trial.

COUNT II

**PATENT INFRINGEMENT OF U.S. PATENT NUMBER 5,502,989
(Against Defendants Noble Security Systems, Inc., Office Security Solutions, Inc., SecuComputer, Inc., Inovetive Locks Ltd. d/b/a Innovative Locks, Pemandros Trading Ltd., and Office Security, Inc.)**

47. Plaintiff incorporates and alleges as if fully set forth herein the allegations contained above in paragraphs 1 through 46.

48. On April 2, 1996, United States Letters Patent 5,502,989 ("the '989 Patent") issued to Stewart R. Carl, Arthur H. Zarnowitz and William R. Murray, Jr. for an invention relating to a computer physical security device. A copy of the '989 Patent is attached hereto as Exhibit 3 and made a part of this complaint.

49. ACCO is by assignment the owner of the '989 Patent.

50. Defendants have directly infringed, induced infringement, and contributorily infringed ACCO's exclusive rights under the '989 Patent by manufacturing, offering to sell and/or selling products that embody the inventions of and are within the scope of the '989 Patent and by causing others to use Defendants' infringing products. Defendants continue to so infringe, induce infringement, and contributorily infringe.

51. Defendants have had actual notice of Plaintiff's rights, notwithstanding such notice, have continued to willfully infringe, induce infringement, and contributorily infringe the '989 Patent and will continue to do so unless enjoined by this Court.

52. As a direct and approximate result of Defendants' infringement, ACCO has suffered injury and damage which will continue to accrue, in an amount to be determined at trial.

COUNT III

BREACH OF SETTLEMENT AGREEMENT (AGAINST ALL DEFENDANTS)

53. Plaintiff incorporates and alleges as if fully set forth herein the allegations contained above in paragraphs 1 through 52.

54. NSSI's continued production and/or sale of the infringing devices, either directly or through persons acting in concert with it, constitutes a breach of the agreement.

55. Defendants Office Security Solutions, Inc., SecuComputer, Inc., Inovetive Locks Ltd. d/b/a Innovative Locks, Pemandros Trading Ltd., and Office Security, Inc., are in active concert or participation and/or privity with NSSI, in breach of the Agreement.

56. ACCO has met all of its obligations pursuant to the agreement

57. As a result of NSSI's breach, ACCO has suffered damages in an amount to be determined by the Court.

COUNT IV

PATENT INFRINGEMENT OF U.S. PATENT NUMBER 7,100,403 (Against Defendants Noble Security Systems, Inc., Office Security Solutions, Inc., SecuComputer, Inc., Inovetive Locks Ltd. d/b/a Innovative Locks, Pemandros Trading Ltd., and Office Security, Inc.)

58. Plaintiff incorporates and alleges as if fully set forth herein the allegations contained above in paragraphs 1 through 57.

59. On September 5, 2006, United States Letters Patent 7,100,403 (“the ’403 Patent”) issued to Stewart R. Carl, Alice Kasahara, Arthur H. Zarnowitz and William R. Murray, Jr. for an invention relating to a computer physical security device. A copy of the ’403 Patent is attached hereto as Exhibit 4 and made a part of this complaint.

60. Kensington, a division of ACCO, is by assignment the owner of the ’403 Patent.

61. Defendants have directly infringed, induced infringement, and contributorily infringed ACCO’s exclusive rights under the ’403 Patent by manufacturing, offering to sell and/or selling products that embody the inventions of and are within the scope of the ’403 Patent and by causing others to use Defendants’ infringing products. Defendants continue to so infringe, induce infringement, and contributorily infringe.

62. Defendants have had actual notice of Plaintiff’s rights and, notwithstanding such notice, have continued to willfully infringe, induce infringement, and contributorily infringe the ’403 Patent and will continue to do so unless enjoined by this Court.

63. As a direct and approximate result of Defendants’ infringement, ACCO has suffered injury and damage which will continue to accrue, in an amount to be determined at trial.

COUNT V

**PATENT INFRINGEMENT OF U.S. PATENT NUMBER 7,111,479
(Against Defendants Noble Security Systems, Inc., Office Security Solutions, Inc., SecuComputer, Inc., Inovetive Locks Ltd. d/b/a Innovative Locks, Pemandros Trading Ltd., and Office Security, Inc.)**

64. Plaintiff incorporates and alleges as if fully set forth herein the allegations contained above in paragraphs 1 through 63.

65. On September 26, 2006, United States Letters Patent 7,111,479 (“the ’479 Patent”) issued to Stewart R. Carl, Alice Kasahara, Arthur H. Zarnowitz and William R. Murray,

Jr. for an invention relating to a computer physical security device. A copy of the '479 Patent is attached hereto as Exhibit 5 and made a part of this complaint.

66. Kensington, a division of ACCO, is by assignment the owner of the '479 Patent.

67. Defendants have directly infringed, induced infringement, and contributorily infringed ACCO's exclusive rights under the '479 Patent by manufacturing, offering to sell and/or selling products that embody the inventions of and are within the scope of the '479 Patent and by causing others to use Defendants' infringing products. Defendants continue to so infringe, induce infringement, and contributorily infringe.

68. Defendants have had actual notice of Plaintiff's rights and notwithstanding such notice, have continued to willfully infringe, induce infringement, and contributorily infringe the '479 Patent and will continue to do so unless enjoined by this Court.

69. As a direct and approximate result of Defendants' infringement, ACCO has suffered injury and damage which will continue to accrue, in an amount to be determined at trial.

COUNT VI

PATENT INFRINGEMENT OF U.S. PATENT NUMBER 7,121,125

(Against Defendants Noble Security Systems, Inc., Office Security Solutions, Inc., SecuComputer, Inc., Inovetive Locks Ltd. d/b/a Innovative Locks, Pemandros Trading Ltd., and Office Security, Inc.)

70. Plaintiff incorporates and alleges as if fully set forth herein the allegations contained above in paragraphs 1 through 69.

71. On October 17, 2006, United States Letters Patent 7,121,125 ("the '125 Patent") issued to Stewart R. Carl, Alice Kasahara, Arthur H. Zarnowitz and William R. Murray, Jr. for an invention relating to a computer physical security device. A copy of the '125 Patent is attached hereto as Exhibit 6 and made a part of this complaint.

72. Kensington, a division of ACCO, is by assignment the owner of the '125 Patent.

73. Defendants have directly infringed, induced infringement, and contributorily infringed ACCO's exclusive rights under the '125 Patent by manufacturing, offering to sell and/or selling products that embody the inventions of and are within the scope of the '125 Patent and by causing others to use Defendants' infringing products. Defendants continue to so infringe, induce infringement, and contributorily infringe.

74. Defendants have had actual notice of Plaintiff's rights and, notwithstanding such notice, have continued to willfully infringe, induce infringement, and contributorily infringe the '125 Patent and will continue to do so unless enjoined by this Court.

75. As a direct and approximate result of Defendants' infringement, ACCO has suffered injury and damage which will continue to accrue, in an amount to be determined at trial.

JURY DEMAND

Plaintiff ACCO demands a trial by jury on all matters and issues triable by jury.

PRAYER FOR RELIEF

WHEREFORE, ACCO prays for and demands the following relief:

1. That a permanent injunction be issued against further infringement of the '557, '989, '403, '479, and '125 Patents by Defendants, Defendants' officers, agents, servants, employees, and attorneys and those person in active concert or participation with them;
2. That ACCO be awarded damages for Defendants' infringement of the '557, '989, '403, '479, and '125 Patents;
3. That ACCO be awarded damages for NSSI's breach of the Agreement;
4. That the cost of this action be assessed against Defendants;

5. That the Court make a finding of exceptional case and that ACCO be awarded treble damages and attorney's fees; and

6. That ACCO be afforded such other and further relief as the Court may deem just.

Respectfully submitted,

Dated: August 28, 2007

/s/ Scott R. Kaspar
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CERTIFICATE OF SERVICE

I, an attorney, hereby certify that on August 28, 2007, a true and correct copy of the foregoing REVISED THIRD AMENDED COMPLAINT was filed electronically. Notice of this filing will be sent to all attorneys of records by operation of the Court's electronic filing system, including those attorneys listed below. Parties may access this filing through the Court's system.

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By: /s/ Scott R. Kaspar
One of the Attorneys for Plaintiff
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